

Former Co-Chairs, members and members of the Secretariat of the Independent Panel for Pandemic Preparedness and Response

From: Christine McNab [REDACTED]
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To: Consultations <consultations@worldbank.org>
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Subject: Comment on the Pandemic FIF: from the former Co-Chairs and members of the Independent Panel for Pandemic Preparedness and Response

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To whom it may concern:

Thank you for the opportunity to comment on the White Paper for the proposed new FIF for pandemic prevention, preparedness and response.

Please find attached a joint Comment from the former Co-Chairs, members and members of the Secretariat of the Independent Panel for Pandemic Preparedness and Response.

Thank you for acknowledging receipt of this email. We will also publish this comment on www.TheIndependentPanel.org in the next day in order to make Panel comments transparent.

Don't hesitate to be in touch should you have any questions or would like to speak to any of those who have contributed to this Comment.

Kind regards,
Christine McNab
former Independent Panel Secretariat member

Comments on the World Bank's White Paper on a Financial Intermediary Fund (FIF) for Pandemic Prevention Preparedness and Response

Submitted by the Co-Chairs and former members of the Independent Panel for Pandemic Preparedness and Response and its Secretariat

As members of the Independent Panel for Pandemic Preparedness and Response we are encouraged to see the commitment to establish a Financial Intermediary Fund and the early intention by four donors to commit global resources to this fund. The mobilization and strategic deployment of additional financial resources was a core recommendation of our May 2021 Report, [COVID-19: Make it the Last Pandemic](#).

On the basis of an extensive evidence-gathering process that included 126 in-depth interviews, 18 round-table discussions including dozens of experts, numerous literature reviews, original research, consultation with front-line workers, and an open-call for contributions, we recommended that a pandemic financing facility should: 1) provide long-term, reliable resources for preparedness as well as rapid surge financing for early response; 2) aggregate contributions from all countries, with funding coming primarily from budget lines beyond official development assistance (ODA); and 3) allocate funds

to existing entities with the strongest track record of producing impacts in the domains of disease control and pandemic preparedness and response.

Our most urgent recommendation, however, was that additional financing for pandemic threats must work hand-in-glove with legitimate, effective and inclusive political leadership and governance. The financing mechanism should be linked to a leader-level governing body, such as the [Global Health Threats Council we proposed](#), to ensure that resources, strategic action and accountability are all mutually reinforcing.

Below, we review the World Bank's pandemic FIF White Paper proposal through the lens of the Panel's findings and recommendations.

The governing body of the FIF should be convened at the highest levels of leadership, with a focused but inclusive membership.

The composition of the governing body of the FIF is of paramount importance. The current proposal focuses heavily on 'founding donors' with possible representation of 'recipient countries' through regional groupings and/or as observers. It also relegates civil society to an observer status and experts to an advisory capacity.

This is a far cry from the focused but inclusive, multisectoral governance model proposed by the Independent Panel: two chairs from the UNGA and one from G20 nominating no more than 18 members in total drawn from each global region as well as the private sector, civil society and experts.

Defaulting to governance arrangements dominated by a small group of donors has yielded poor outcomes for the current pandemic. Donor-recipient models have served to reinforce global inequalities, in turn driving gross inequity in the distribution of medical countermeasures, the emergence of new variants and, ultimately, astronomic human and economic costs. These models have also fallen well short on resource mobilization and last mile delivery.

By contrast, the success of the May 2022 Second Global Covid Summit co-hosted at leader-level by the United States, Senegal (African Union), Indonesia (G20), Germany (G7) & Belize (CARICOM) is a proof of concept for the governance model the Panel proposed. The Summit hosts jointly mobilized an impressive number of commitments from diverse actors on very short notice to address key gaps in the current response. This included, perhaps most notably, the cornerstone financing for the FIF. The Summit also foregrounded issues important to a range of stakeholders from intellectual property sharing and local production of medical countermeasures to engaging civil society and community health workers in last mile delivery. An approach which places a small group of diverse global actors on equal footing should serve as a model for the FIF's governing body.

The FIF should not be an operating entity; rather it should provide financing through existing entities, prioritizing institutions with a track record of outsized impacts in the fields of disease control and pandemic preparedness and response.

The Panel agrees with the White Paper's proposal for the FIF to play a financing, but not an operational, role. We concur that the FIF should fund existing organizations for implementation rather than engaging individual countries directly.

However, the White Paper proposes to channel funds through WHO, UN agencies, the World Bank and other multilateral development banks. The rationale for choosing this group of implementers is that, based on the FIF Management Framework, they are automatically eligible to receive funds in cases where the Bank hosts the secretariat and that most donors have familiarity and board-level relationships at these institutions.

The Independent Panel is deeply concerned that the proposed group of implementers has an uneven track record with respect to impacts. Demonstrated effectiveness should be the primary criteria for implementer selection, not precedent or board relationships. The Independent Panel had highlighted a different set of organizations as illustrative implementers on this basis, namely The Global Fund for AIDS TB and Malaria, Gavi, CEPI and the Africa CDC. Each of these organizations has played a critical role in improving national, regional and global capacity for disease control and health security. To the extent that other entities, including regional development banks, can point to a track record of preparedness and response impacts, they should also be eligible as implementers.

The World Bank's role should focus on trusteeship, with the possibility of an implementing role limited to contexts and functions where it has demonstrated impacts.

The current proposal assigns the World Bank three roles with respect to the FIF: trustee, secretariat host and implementer. The trusteeship role is inherent in the FIF structure and well suited. The choice of the secretariat should not fall, by default, to the World Bank. Indeed, the White Paper notes that one third of FIFs host their secretariats elsewhere. The hosting decision should submit to an analysis of the secretariat functions needed in this case, the corresponding suitability of all potential hosts, as well as an analysis of the strengths and weaknesses of different secretariat models currently in use.

Finally, like all global entities, the World Bank should serve as an implementer only with respect to contexts and functions where it has an established track record in producing disease control and health security impacts. Allocating funds to specific implementers to achieve specific outcomes should be a transparent, meritocratic, evidence-based process in every instance, further reinforcing the need of a diverse and independent governance structure.

The scope of the FIF should include both preparedness and response but guard against overstretch on prevention.

The Independent Panel's evidence review found that funds for preparedness were too little while funds for response came too late, surging four to six months after the initial Covid-19 outbreak. We are pleased to see both preparedness and response covered in the scope of the FIF. However, we reinforce that, in addition to a steady flow of preparedness financing, a clear and reliable mechanism is needed to surge financing for response within weeks, not months, of an outbreak at a scale of potentially billions of dollars.

In addition to preparedness and response, the current proposal scopes in an encompassing definition of prevention, which risks attempting to boil the ocean. The aims related to prevention include mitigating the risk and consequence of spillover events “at the human, animal and ecosystem interfaces.” This could include an almost endless list of interventions and safeguards across health, agriculture and the environment.

We are concerned that this approach could sap resources from achieving the goals of rapid identification and containment of pandemic threats that will remain inevitable despite vast resources spent in pursuit of prevention. We therefore recommend 1) prioritizing preparedness and 2) to the extent that spillover prevention remains in scope as a lower priority, developing a more focused definition linked to a feasible goal.

Loans should not be the default financing mechanism, particularly for the production of global public goods in lower-income contexts

While financial instruments that would be utilized by the FIF are not fully specified, there is heavy emphasis on working through development banks which primarily provide debt financing with varying degrees of concessionality. Many of the benefits the FIF aims to achieve – such as the early detection of pandemic threats and herd immunity against known pathogens—are global public goods in the classic sense of being non-rival and non-excludable. The Independent Panel has pointed out that economic theory argues against debt-financing global public goods in lower income contexts. The rationale is that paying, let alone paying interest, to provide goods whose benefits are enjoyed globally is a hard sell for leaders and financial stewards in extremely resource limited settings. Furthermore, if the FIF proposes to leverage matching contributions from recipients, these will require a careful design according to ability-to-pay.

Greater emphasis should be placed on mobilizing non-ODA resources, including clear strategies and benchmarks

The Independent Panel also argued that pandemic preparedness and response should be financed largely through non-ODA resources. We argued this is appropriate given that wealthier countries benefit disproportionately from the global public goods produced. We also highlighted the strategic importance of protecting global health security from the boom-and-bust cycles that plague aid budgets.

The current proposal mentions the mobilization of non-ODA resources. However, given the importance of this issue for the sustainability of financing, this point should be much more central with links to clear strategies and benchmarks to secure financing beyond ODA budget lines.

The third set of ‘focus areas’ entitled “TA, Analytics, Learning and Convening” should be reframed along the lines of “Monitoring, Evidence and Accountability.”

The White Paper lays out three sets of focus areas. The first two “Strengthening Country Capacity” and “Regional and Global Capacity” both include reasonable preliminary priorities that are well aligned with the functions proposed by the Panel. The third set “TA, Analytics, Learning and Convening” scopes in activities such as ‘learning events’ and ‘elevating the PPR agenda’ which are quite broad, with potentially tenuous links to outcomes. The strongest items under this header include activities related to monitoring and collective accountability processes. We recommend defining the scope more precisely along these lines, while prioritizing the first two sets.

Conclusions: Break with precedent to meet the moment

While the Independent Panel welcomes the establishment of a pandemic FIF, the current proposal requires significant revisions-- with respect to governance arrangements, selection of implementers,

scope, resource mobilization strategies and financing modalities—in order to achieve its goal of shoring up gaps in global health security. Overall, the White Paper is far too deferential to the established global financing approaches that have failed time and again to produce adequate pandemic preparedness and response. Meeting the moment requires a transformational effort that tears precedent down to the studs and builds back a fit-for-purpose model that is inclusive, impact-oriented, focused and truly global.

This Comment is Submitted by the former Co-Chairs and members of the Independent Panel for Pandemic Preparedness and Response, and of its Secretariat:

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